GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3503
ANSWERED ON:16.12.2005
NON PERFORMING ASSETS OF ICICI BANK
Khaire Shri Chandrakant Bhaurao

Will the Minister of FINANCE be pleased to state:

(a) whether Government have analysed the Reserve Bank of India inspection report on ICICI bank regarding non-performing assets ;

(b) if so, the details thereof ;

(c)the names of the banks where there is a difference in the assessment of bad loans done by the auditors and the RBI Inspection Committee Report; and

(d) the steps taken by the Government in this regard ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANMANICKAM)

(a) Section 45E of the Reserve Bank of India Act, 1934 prohibits publishing or otherwise disclosing any credit information contained in any statement submitted by a banking company to the RBI, except in accordance with the practice and usage customary among bankers or as permitted or required under any other law.

(b) : Does not arise.

(c)&(d) In view of the very large variance in the assessment of the financial position of erstwhile Global Trust Bank (eGTB) as on March 31, 2002, reported by the auditors of the Bank and as assessed by the RBI Inspectors, the issues were discussed in Board for Financial Supervision and RBI appointed another firm of Chartered Accountants to carry out an independent and in-depth assessment of major advance accounts of GTB.Taking into account the interests of depositors of eGTB, as well as its strengths and weaknesses, the bank was amalgamated with the Oriental Bank of Commerce as per scheme of amalgamation prepared by RBI.